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SERVICE DATE – MARCH 7, 2012

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 35353

VFRC, LLC–ACQUISITION EXEMPTION–UNION PACIFIC RAILROAD COMPANY

Decided: March 6, 2012

On February 22, 2010, VFRC, LLC (VFRC), a noncarrier, filed a verified notice of exemption under 49 C.F.R. § 1150.31 to acquire certain physical assets of a rail line and the underlying right-of-way from Union Pacific Railroad Company, between milepost 682.25, near Greenberry, Or., and milepost 687.6, near Corvallis, Or. (the Line), a distance of approximately 5.35 miles. The notice was served and published in the Federal Register on March 10, 2010 (75 Fed. Reg. 11,224).

Subsequently, on June 30, 2010, VFRC filed a motion to dismiss its notice. VFRC asserted that the Board did not have regulatory authority over the transaction and that the transaction's consummation did not render VFRC a common carrier. After reviewing the record, the Board expressed concern in a March 1, 2011 decision that language in the Line's operating agreement between VFRC and Albany & Eastern Railroad Company vested too much control in the hands of VFRC. To allay these concerns, the Board offered VFRC an opportunity to submit an amended agreement.

By letter dated July 6, 2011, VFRC states that it has attempted to work around the Board's concerns but has been unable to satisfy both the Board's concerns and protect its own interests. VFRC therefore requests to withdraw its motion to dismiss. VFRC's request will be granted.

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. VFRC's request to withdraw its motion to dismiss is granted.
2. This decision is effective on its service date.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.